Amendments to the Drawings

Please replace Figures 2, 6, 8(a), 8(b) and 14 through 16 with replacement Figures 2, 6, 8(a), 8(b) and 14 through 16 provided on the replacement sheets enclosed herewith. Figures 2, 6, 8(a), 8(b) and 14 through 16 have been amended to clarify that reference character "5" is used to designate a label substrate. No new matter has been added.

Remarks

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 2-9 and 23 are pending in the application, with claims 2, 3, and 4 being the independent claims. Claims 2-5 have been amended herein. Support for these amendments can be found in the specification and figures as originally filed. Claims 10-16 and 20-22 are withdrawn. Claims 1 and 17-20 were previously cancelled without prejudice to or disclaimer of the subject matter therein. New claim 23 is sought to be added. These changes are believed to introduce no new matter, and their entry is respectfully requested.

Based on the above amendment and the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

Objections to the Drawings

The Examiner objected to the drawings for reference characters "3" and "5" being used to designate the lowest layer in the multilayer arrangement. Replacement drawings for Figures 2, 6, 8(a), 8(b), and 14 through 16 are submitted herewith to clarify that reference character 5 designates a label substrate. Accordingly, Applicants respectfully request that the objection to the drawings be withdrawn.

Rejections under 35 U.S.C. § 112

Claims 2-9 have been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Applicants have amended claims 2 through 5 to clarify the configuration of the layers of the heat-shrinkable label. Claims 6 through 9 depend from and add further

features to claim 4. Applicants respectfully request that the 35 U.S.C. §112 rejections be reconsidered and withdrawn.

Rejections under 35 U.S.C. § 103

Claims 2-9 have been rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 4,983,238 to Yoshida *et al.* (hereinafter "Yoshida") in view of Japanese Patent Application Publication 2001-125489 (hereinafter "JP 2001-125489") or Japanese Patent Application Publication 2003-335343 (hereinafter "JP 2003-335343"). Applicants respectfully traverse this rejection.

Independent Claim 2, as amended, recites, inter alia, "the side edge of the outer layer sheet extends past the side edges of the inner layer sheet and adhesive layer" and "the side edge of the inner sheet extends past the side edge of the adhesive layer." This arrangement results in the thickness of the label substrate gradually becoming thicker toward the inner portion thereof. Consequently, a large step does not make its appearance in the surface of the cylindrical label. See paragraph [0087] of the specification. Similarly, Claim 3, as amended, recites, inter alia, "the side edge of the outer layer sheet extends past the side edges of the inner layer sheet and the design printed layer" and "the side edge of the design printed layer extends past the side edge of the inner layer sheet." Also, independent claim 4, as amended, recites, inter alia, "the side edge of the outer layer sheet extends past the side edges of the inner layer sheet, the design printed layer, and the adhesive layer;" "the side edge of the design printed layer extends past the side edges of the inner layer sheet and the adhesive layer;" and "the side edge of the inner layer sheet extends past the side edge of the adhesive layer." The labels of claims 3 and 4 also have the advantage that a large step does not make its appearance

in the surface of the cylindrical label. Thus, the specific arrangements of the side edges of the label layers, in claims 2-4, provides heat-shrinkable cylindrical labels in which their center seal sections do not become thick.

Yoshida, JP 2001-125489, and JP 2003-335343 do not, alone or in combination, disclose or suggest the specific arrangement of the side edges of the layers in claims 2, 3 or 4. As acknowledged by the Examiner, Yoshida fails to recite the presence of an adhesive layer in the composite label. Furthermore, Yoshida appears to disclose that the side edges of the composite layers are aligned such that the label has a uniform thickness throughout the bulk of the label and becomes thick in the overlapped portions 1a and 2a as seen in Figs. 1 and 2. Thus, Yoshida does not disclose or suggest a label configuration wherein the side edge of the outer layer sheet extends past the side edges of the inner layer and the adhesive layer or the design printed layer, or the side edge of the inner sheet extends past the side edge of the adhesive layer, or wherein the side edge of the design printed layer extends past the side edge of the inner layer, or wherein the side edge of the design printed layer extends past the side edge of the adhesive layer so that the center seal section does not become thick.

JP 2001-125489 and JP 2003-335343 do not cure the deficiencies of Yoshida. Similar to Yoshida, JP 2001-125489 appears to disclose that side edges of the composite label are aligned such that the label has a uniform thickness throughout the bulk of the label, as seen in Figs. 1 and 2. Also, JP 2003-335343 appears to disclose that side edges of the composite label are aligned such that the label has a uniform thickness throughout the bulk of the label and becomes thick in the overlap region, as seen in Fig. 3. Thus, Yoshida, JP 2001-125489, and JP 2003-335343 do not, alone or in combination, disclose or suggest the specific arrangement of the side edges of the layers in claims 2, 3 or 4.

Furthermore, the Examiner's reliance on legal precedent as a source for the rationale supporting that rearranging the layers of the label would be obvious is improper. The Examiner asserts that it would have been obvious to a person of ordinary skill in the art to rearrange the position of the component layers, because the ends of the composite label, in any of the arrangements, will still be able to be secured and that cited case law to assert that rearranging parts only involves routine skill in the art. See Office Action pg. 6-7. While prior legal decisions may be used to provide supporting rationale, if the applicant has demonstrated the criticality of a specific limitation, it would not be appropriate to rely solely on case law as the rationale to support an obviousness rejection. See MPEP §2144.04. Furthermore, the mere fact that a person in the art could rearrange the parts of a reference device is not sufficient support to find obviousness. The prior art must provide a reason for a person in the art to make the necessary changes in the reference device. See MPEP §2144.04(VI)(C). As discussed above, there is no disclosure or suggestion in Yoshida, JP 2001-125489, or JP 2003-335343 to arrange the side edges of the layers of the label so that the thickness of the label substrate gradually becomes thicker toward the inner portion thereof and the center seal section do not become thick so that a large step does not make its appearance in the surface of the label.

For at least these reasons, Applicants respectfully submit that the subject matter of independent claims 2-4 and claims 5-9, which depend therefrom, would not be *prima facie* obvious under 35 U.S.C. § 103(a). Applicants respectfully request that the 35 U.S.C. §103(a) rejection be reconsidered and withdrawn. Allowance of claims 2-9 is respectfully requested.

Other Matters

New claim 23 depends from and adds further features to claim 2, and is thus patentable for at least the same reasons as claim 2. In addition, claim 23 has a further advantage. New claim 23 recites, *inter alia*, "an area where the inner layer sheet is not laminated is formed, and a heat-sensitive adhesive is coated onto the area." This feature allows for the heat-sensitive adhesive to be coated directly onto the outer layer sheet. Accordingly, New Claim 23 has a further advantage effect that even if a sheet having liquid-absorptivity is used as the inner layer sheet, no part of the coated heat-sensitive adhesive is absorbed into the inner layer sheet. See paragraph [0126] of the specification. Allowance of claim 23 is respectfully requested.

Conclusion

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Reply to Office Action of December 29, 2009

Respectfully submitted,

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